



## BRIEFLY...

### ETA COULD NOT DEMONSTRATE THAT CREDENTIALS IMPROVED WIOA PARTICIPANTS' EMPLOYMENT OUTCOMES

September 30, 2020

#### WHY OIG CONDUCTED THE AUDIT

The Employment and Training Administration (ETA) ensures employment and training services provided by the Workforce Innovation and Opportunity Act (WIOA) core programs are coordinated and complementary so job seekers may acquire skills and credentials that meet local employers' needs. A credential is an award in recognition of an individual's attainment of measurable technical or occupational skills necessary to gain employment or advance within an occupation.

#### WHAT OIG DID

We conducted a performance audit to answer the following question:

To what extent did credentials impact WIOA Title I participants' outcomes?<sup>1</sup>

To answer this question, we selected a judgmental sample of 3 states, and judgmentally selected a Career Center within each state. We then judgmentally selected a sample of participants at the Career Center. We interviewed key state officials, reviewed sampled participant files, and analyzed data pertaining to the credential earned.

#### READ THE FULL REPORT

<http://www.oig.dol.gov/public/reports/oa/2020/03-20-002-03-391.pdf>

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<sup>1</sup> Adult, Dislocated Worker, and Youth programs.

#### WHAT OIG FOUND

We determined ETA lacked data to measure the impact credentials had on participants' outcomes and did not ensure participants' data was accurate, valid, and reliable.

ETA ensured credentials earned by participants aligned with local employer needs, but could not demonstrate that earning credentials improved WIOA participants' employment outcomes after exit. The credential attainment rate states report to ETA is the percentage of participants who received a credential from those trained. However, employers are not required to indicate the specific job the participant held and if a credential was necessary for the job. For example, if a participant exits WIOA with a credential and obtains employment, it is unknown whether the participant worked as a cashier, store manager, truck driver, or IT specialist with the company.

In addition, ETA could not provide reasonable assurance that the WIOA data it collected from states was accurate, valid, and reliable. This occurred because WIOA became law in 2014, but ETA did not issue data validation guidance until December 2018. ETA issued the guidance after states submitted data; therefore, states had no instruction on how to validate the data they were submitting.

If credentials are not leading to jobs in industry-recognized fields, then it puts the WIOA program at risk for not meeting its mission. Thus, it is important to capture sufficient and accurate performance data to inform decision-making and gauge the effectiveness of the program.

#### WHAT OIG RECOMMENDED

We made 2 recommendations to ETA to develop a mechanism to measure the impact of credentials on participant outcomes and to ensure states validate performance data they submit to ETA. ETA generally agreed with our results and recommendations.